

EXHIBIT 27

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PBS Competitive Intelligence

Amazon (go/PBSamazon)

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How to use this document

- This is an overview of Amazon's advances in digital advertising, focused on their DoubleClick competitor from the publisher perspective
- This document provides some high-level counterpoints that Google can offer our partners, but this is not a tactical pitch deck
 - Meant as an internal-only handout / takeaway
 - Sources are in the "notes" section with links to details / additional docs
- Note: Amazon's advertising products may not yet be available in your country, but they should not be underestimated
- Amazon's secrecy makes it difficult to gain intelligence - your intel submissions are encouraged!

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Executive Summary

- Amazon may be small in absolute terms today (~\$1 billion advertising revenue projected in 2015), however it poses one of the largest potential threats to our programmatic advertising business.
- Amazon owns the best database of shopping and purchase history, which drives high-performing advertising and is a key differentiator and advantage.
- Amazon is actively building a walled garden to compete with the DoubleClick stack, and this should not be underestimated. They are especially focused on growing their Mobile App Ad Network and deepening relationships with developers through innovative programs.
- Google has key assets including scale and our full platform that can outperform Amazon and better serve the full needs of our partners.

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PBS: Why focus on Amazon Ads?

- Amazon has the **appetite and need** for high-margin revenue channels to bolster their razor thin retail margins.
- Amazon has **already taken steps to create a walled garden** leveraging their **unique commerce user data** and proprietary programmatic technology.
- Amazon (and their data) **should not be underestimated**. They have immense scale and technological capabilities. Amazon is intensely focused on the long view, willing to do things no other company will do, and extremely secretive.



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Appetite & Ability: Amazon has the critical factors for success and the need to become the next big advertising competitor

	amazonadvertising	Google
Anchor property	Amazon.com and O&O sites (Twitch, Prime Video, IMDb, etc.)	Google.com
Scaled Advertiser Base with Deep Relationships	<ul style="list-style-type: none"> 2M+ merchants spanning from sales channel through fulfillment engine buy Sponsored Products Vendors/manufacturers buy Sponsored Products, co-op, display, etc. and prioritize marketing on Amazon 	LCS and SMB relationships
Data	<ul style="list-style-type: none"> Best database of shopping history and purchases from core retail business on 294M active customer accounts worldwide¹ Logged-in users, enabling cross-device targeting and reporting 	<ul style="list-style-type: none"> Intent data from Google search New initiatives to apply gaia-level data to advertising ecosystem
Technology	<ul style="list-style-type: none"> Strong technology at scale 	<ul style="list-style-type: none"> Strong technology at scale
Additional key factors	<ul style="list-style-type: none"> Amazon Login and Amazon payments on 3P mobile apps and websites to supplement monetization offerings Need to supplement low-margin retail core business 	<ul style="list-style-type: none"> Leading search advertising and programmatic stack

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¹ <https://advertising.amazon.com/#traffic>

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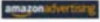

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Steps already taken: Amazon has developed key pillars of an advertising ecosystem that can compete with DoubleClick stack

Overall Competitive Threat

- Amazon is building a burgeoning adtech solution. They are leveraging their wealth of retail/purchase intent data (which they do not share with 3rd parties) and O&O inventory to pull in e-commerce focused advertisers, including their own 3P marketplace sellers, who drive traffic to Amazon.com. Though they lack an end to end solution currently, they have a strong footprint in mobile, video, and display paired with highly sought after retail data.
- Key Assets:** E-Commerce Data, Amazon O&O (Amazon.com, Twitch, Prime Video)

Product Presence

Key Platforms	O&O	Buy-side Ad Server	DSP	Exchange	Network	Enterprise Analytics	Publisher Ad Server
	Amazon.com, Twitch, Prime Video, IMDb, etc.	A9	Amazon Advertising Platform (AAP) w/ self-serve ad buying		Mobile Ad Network, Desktop Display Network		Proprietary ad server
	Google.com	DCM	DEM	AdX	Search Syndication, GDN, AdMob	Google Analytics, Adometry	DFP
Key Product Differences	Amazon has browse and purchase history; Google has intent/search data	A9 also powers Amazon.com product ranks and other Amazon ad technology	For some buyers, Amazon offers conversion / performance data on display spend		Publisher-specific retail Ads & Google Search results		Amazon might eventually sell server as a product for other sites to use?
Google / Amazon Media Partnership	Amazon is an active AdWords buyer		Amazon uses DEM to buy ads on YouTube	Amazon has AdX seat, does not share data with Google	Amazon is an AFS publisher and user of Search Syndication DLA		Amazon stopped using DFP in Europe, likely to stop using DFP globally

Sources: [Fact Base](#) [Document Inventory](#)

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1 <http://adage.com/article/digital/amazon-make-easier-buy-ads-serve-tool/294243/>

2 "A9's Publisher Products team is working to extend our ad serving technology to top websites and mobile apps worldwide."
(screenshot, URL)

Id	Date	Text
1	05/13/2017 17:58:37	+chantra@google.com should this be updated to include Amazon header wrapper?
2	05/13/2017 17:58:37	+sleungli@google.com

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Steps already taken: Amazon has developed competitive search advertising products that fortify their retail business

Overall Competitive Threat

- Amazon leveraging their wealth of retail/purchase intent data (which they do not share with 3rd parties) and O&O inventory to pull in e-commerce focused advertisers including their own third-party marketplace sellers, who drive traffic to landing pages on Amazon.com.
- Key Assets: E-Commerce Data, Amazon O&O (Amazon.com, Twitch, Prime Video)

Product Presence

Key Platforms	O&O	Product Ads on O&O	Product Ads Syndication	Text Ads on O&O	Text Ads Syndication
	Amazon.com, Twitch, Prime Video, MGM, etc.	Sponsored Products ³	Product Advertising API ¹ available on portals ²	Sponsored Links using SP providers (including APS) ⁴	n/a
	Google.com	Product Listing Ads, PPA	AdSense for Shopping	AdWords	AdSense for Search
Key Product Differences	<ul style="list-style-type: none"> Search ads only on Google.com Video, display, and search ads on Amazon O&O 	<ul style="list-style-type: none"> Both brands/manufacturers and Amazon SP sellers can bid on Sponsored Products, which stay on Amazon.com PLAs click to retailers who bid on them PLAs will allow brand manufacturers to bid on premium placement of their products in search results 	<ul style="list-style-type: none"> Amazon Product Ads available to portals All Amazon Product Ads lead back to Amazon.com (no SP retailer destination URLs) 		
Google / Amazon Media Partnership	Amazon is an active AdWords buyer			Amazon uses AdSense for Search as one Sponsored Links provider	

Sources: [Fact Base](#) [Document Inventory](#)

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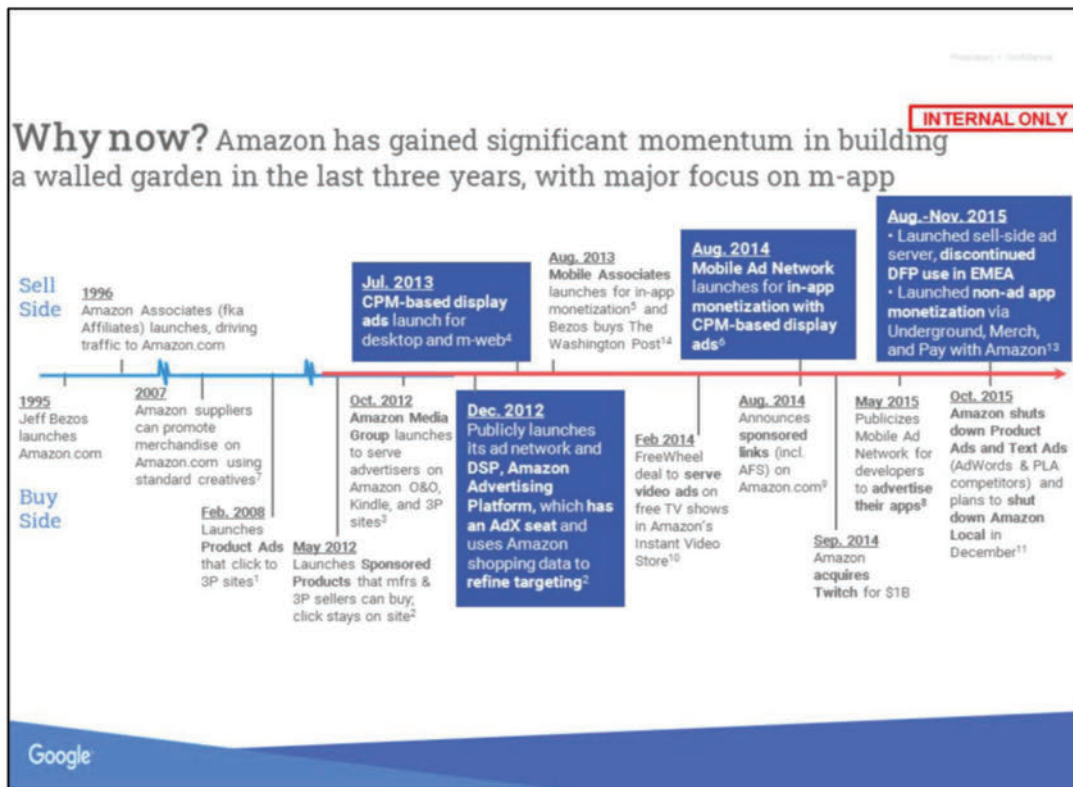


1 Product Advertising API: http://docs.aws.amazon.com/AWSECommerceService/latest/DG/RG_Images.html

2 Portals screenshot (ask.com) with Amazon Product Ad Syndicated: <https://screenshot.googleplex.com/2sArE6cDRK>

3 Sponsored Products: <http://services.amazon.com/content/sell-on-amazon/sponsored-products.htm>

4 Sponsored Links: <http://www.amazon.com/gp/ads/whats-this.html>



1 <http://techcrunch.com/2008/02/07/amazon-quietly-launches-product-ads-secretly-wants-to-become-a-shopping-search-engine/>

2 <http://www.adweek.com/news/technology/amazon-advertisings-sleeping-giant-awaken-2013-145964?page=2>

3 <http://adage.com/article/digital/advertising-amazon-s-newest-low-price-weapon/237630/>

4 <http://techcrunch.com/2014/08/22/amazon-now-piloting-cpm-ads-with-select-amazon-associates-publishers/>

5 <http://techcrunch.com/2013/08/27/amazon-opens-its-associates-affiliate-program-to-mobile-app-developers/>

6 <https://developer.amazon.com/public/community/post/Tx2YLACM64TS0MN/Monetize-Your-App-with-Amazon-Mobile-Ads-API-and-Get-a-Kindle-Fire-HD>

7 <http://digiday.com/publishers/is-amazon-the-sleeping-giant-of-media/> and UBS, desk research, OC&C Analysis report 2014

8 <http://techcrunch.com/2015/05/13/amazons-new-ad-platform-lets-app-developers-target-android-and-fire-users/>

9 <http://www.adweek.com/news/technology/amazon-sponsored-links-seen-direct-threat-google-adwords-159713>

10 <http://recode.net/2014/02/05/amazon-lays-foundation-for-giant-video-advertising-business/> and <http://adage.com/article/digital/amazon-launches-video-ad-business-geico/291779/>

11 <http://marketingland.com/amazon-retiring-product-ads-offers-new-text-ads-as-alternative-138394> and <http://www.ppchero.com/amazon-text-ads-to-be-discontinued/> and <http://techcrunch.com/2015/10/30/amazon-to-exit-daily-deals-with-closure-of-amazon-local/>

12 <http://www.cpcstrategy.com/blog/2012/05/amazon-launching-sponsored-products-amazons-own-adwords-2/>

13 <https://developer.amazon.com/public/solutions/underground> and <https://developer.amazon.com/public/solutions/merch> and

<https://payments.amazon.com/home>

14 <http://www.forbes.com/sites/gregsatell/2013/08/06/okay-heres-the-real-reason-why-jeff-bezos-bought-the-washington-post/>